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South-South cooperation for development

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Addendum

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Chapter II

C. Discussion

1. The general debate of the High-level Committee reviewed South-South cooperation within the framework of implementation of the 1978 Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries, the "new directions" strategy endorsed by the General Assembly in its resolution 50/119 of 20 December 1995 and the decisions of the Committee itself.

2. A key theme to emerge from the debate was the need to define South-South cooperation in the context of rapid globalization, in which new dynamics of trade and rapid advances in technology have been accompanied by changing social, economic and political realities, particularly among countries of the South. It was noted that the agenda for South-South cooperation has expanded to include broader, transnational development issues, including good governance; food security; pandemic diseases, such as malaria and HIV/AIDS; and the mitigation of natural disasters.

3. Throughout the debate, Member States noted the increasing volume and rate of South-South exchanges in trade, finance, technology exchanges and development enterprises. South-South cooperation was seen to be a basis for promoting not only development but also broader values enshrined in the Charter of the United Nations, including social progress, better standards of life in larger freedom and lasting peace and stability. Many delegations were pleased to note the increasing pattern of cooperation among developing countries, although some expressed concern that the increase in South-South cooperation has not been commensurate with the potential and capacities of the South.

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4. South-South cooperation was also seen to be a key driver in accelerating development and assisting countries, particularly least developed countries, landlocked developing countries, small island developing States and countries in sub-Saharan Africa, in meeting internationally agreed development goals, including the Millennium Development Goals. It was emphasized that South-South cooperation is not a substitute for North-South cooperation but rather an indispensable complement to North-South cooperation and other traditional forms of development assistance. That perspective was, however, seen by some delegations as expressing fear on the part of developing countries that they would lose development assistance from the North.

5. At the global level, it was agreed that the international development architecture should be designed to reflect the new dynamism of the South while promoting equitable representation of developing countries. While numerous countries have greatly improved their economic prospects, overall the forecast has been mixed, with an increase in income disparities among a number of countries in the South. A number of delegations expressed concern about the ongoing asymmetries and unequal distribution of gains among and within the countries of the global South. It was noted that even traditional indicators used to determine aid, such as levels of gross domestic product, could be misleading since such statistics had the potential to mask a country's domestic inequalities.

6. To address those inequalities, it was suggested that more work be done to create new and innovative partnerships within the South, particularly through triangular cooperation; encouraging the sharing of best practices, strengthening the Global System of Trade Preferences among developing countries; and granting recognition to the importance of new and expanding sources of economic growth, such as duty-free and quota-free access to markets, which many countries of the South have extended to the least developed countries.

7. Moreover, it was suggested that the impact of development initiatives could be maximized by ensuring innovative, inclusive partnerships through the participation of non-State partners, such as civil society, the private sector and informal networks.

8. In this context, numerous delegations highlighted the important role of middle-income countries as not only recipients but also providers of important resources through South-South exchanges, particularly in such areas as education, technical expertise and development assistance to other countries in the South. It was emphasized that those exchanges should not be considered as aid or as a substitute for official development assistance.

9. Countries in the South with more developed economies were encouraged to contribute to the development of the most vulnerable developing countries, with particular attention to least developed countries, landlocked developing countries and small island developing States. To that end, it was suggested that the foreign exchange reserves of developing countries could be used to strengthen the development of other economies in the South.

10. Delegates affirmed the need for Member States and development partners to undertake more vigorous efforts to consolidate, intensify and enhance South-South cooperation in all its aspects, including triangular cooperation, as a continuous and vital process to meet the challenges facing the countries of the South and as a valuable contribution to development.

11. Development partners were urged to stand by the commitments made at major United Nations conferences and summits, particularly with regard to official development assistance and debt relief, an especially urgent issue given the alarming drop in the volume of overseas development assistance in recent years.

12. A number of delegations requested that Member States and United Nations agencies strengthen their support for building triangular partnerships, particularly in assisting least developed countries, landlocked developing countries, small island developing States and sub-Saharan African countries in achieving the Millennium Development Goals and other international agreed development goals. A suggestion was made that donor countries allocate specific amounts of their official development assistance to the funding of triangular cooperation arrangements through the United Nations, particularly to countries in sub-Saharan Africa. Another delegation expressed a need for continued support of the United Nations in promoting triangular cooperation, particularly through the United Nations country teams.

13. In general, numerous delegations affirmed that South-South and triangular partnerships should be the result of a demand-driven process, whereby States and beneficiaries would be able to take ownership of relevant projects and programmes in order to effectively implement them at the national level.

14. It was agreed that the national capacities of developing countries should be strengthened to allow for more effective South-South cooperation. Good governance and security were highlighted as necessary for the effective implementation of South-South exchanges and development initiatives, particularly at the country level. In addition, regional and subregional integration was highlighted as having the potential to improve the economic, social and political prospects of Southern countries.

15. It was observed that South-South cooperation should not be isolated conceptually from global development efforts. Rather it should comply with and support international agreements, such as the Monterrey Consensus of the International Conference on Financing for Development and the principles outlined in the Paris Declaration on Aid Effectiveness. Those principles include country ownership, the primacy of the poverty strategies of the recipient countries, harmonizing with country processes and procedures, and a focus on institutional capacity-building of the recipient country.

16. The importance of South-South cooperation has been affirmed in a number of initiatives and in various conferences, such as those convened in recent years by the Group of 77, the 2005 World Summit and the Fourteenth Summit of the Movement of Non-Aligned Countries, held in Havana in September 2006. The Special Unit for South-South Cooperation was encouraged to follow up on various decisions adopted at Group of 77 summits and other high-level conferences relating to South-South cooperation in various fields to ensure greater harmonization with those various international decisions.

17. A number of delegations were pleased that United Nations entities and regional organizations were increasingly adopting South-South approaches in their policies and operational programmes, particularly in dealing with transnational development challenges. Furthermore, it was affirmed that organizations of the United Nations system, owing to their universal membership, neutrality and political

independence, represented principal vehicles by which to catalyse, support and strengthen South-South cooperation.

18. United Nations organizations and agencies that participated in the debate highlighted aspects of their work that followed a South-South approach at the subregional, regional and global levels.

19. To further strengthen South-South cooperation, United Nations agencies were encouraged to play a key role in their respective areas of competence in strengthening funding partnerships among developing countries; promoting and disseminating best practices, indigenous knowledge, know-how and technology in the South; and facilitating networking among experts and institutions in developing countries. It was also recommended that the trade-related aspects of those topics be explored within the framework of the twelfth session of the United Nations Conference on Trade and Development, to be held in Ghana in April 2008. Generally, it was recommended that South-South cooperation be a bigger, better resourced part of United Nations operational activities for development.

20. The United Nations was called upon to mainstream South-South cooperation as a cross-cutting issue at the heart of the development agenda of all United Nations organs at the headquarters and country levels. The aim was to facilitate increased data collection, reports and a more South-South-oriented approach on the part of United Nations agencies, funds and programmes.

21. It was further proposed that the United Nations development system integrate South-South cooperation into the design, formulation and implementation of its regular programmes. In addition, the concept of South-South cooperation should be mainstreamed into the triennial comprehensive mid-term review.

22. Further suggestions for the mainstreaming of South-South policies and programmes included drawing more effectively on the resident coordinator system for implementation at the country level. Also discussed was the need to strengthen and expand South-South focal point at the country level.

23. Indeed, a key theme to emerge from the debate was the need to strengthen and further consolidate South-South cooperation through the work of Member States, development partners in both the public and private sectors, and United Nations agencies. While some United Nations organizations had made progress in mainstreaming South-South cooperation within their own programmes, concern was expressed that such mainstreaming in this area had not been fully achieved.

24. The United Nations system, particularly the Special Unit for South-South Cooperation, was requested to address the existence of information and knowledge gaps relating to South-South cooperation. Delegations expressed support for an adequate, organized and efficient information system that would provide all countries with details of the capabilities and needs of the countries of the South and the cooperation opportunities available. This type of information reservoir would also enable the sharing of best practices.

25. Member States, development partners and the United Nations system were urged to generously support the United Nations Fund for South-South Cooperation and the Perez-Guerrero Trust Fund for Economic and Technical Cooperation among Developing Countries. Furthermore, it was recommended that the United Nations

Fund for South-South Cooperation be enhanced as the main funding mechanism for South-South cooperation.

26. It was recommended that the High-level Committee meet more frequently, with a suggestion for convening intersessional meetings so that the implementation of decisions could be reviewed. The High-level Committee was also called upon to protect the unique nature of South-South cooperation.

27. Delegates expressed a desire to increase funding for projects of the United Nations development system that employ South-South cooperation strategies. Moreover, Member States expressed the desire for the increased use of Southern resources, particularly experts and expertise, in United Nations Development Programme (UNDP) programmes.

28. The United Nations resident coordinator system was highlighted by some delegations as a potential contributor to South-South cooperation owing to the specific knowledge of resident coordinators regarding national priorities and the requirements and potential at the national and regional levels.

29. One delegation suggested that an evaluation of the "new directions" strategy could point out actions and instruments that would position the strategy as an intersectoral theme of operational activities for development and as a part of the UNDP strategic plan for 2008-2011.

30. The Special Unit for South-South Cooperation needs to ensure greater coherence and coordination among United Nations and other intergovernmental organizations. The Special Unit should thus report to Member States on concrete measures and achievements, including the number of triangular cooperation programmes that it has supported. However, while some delegations expressed the need for coordination and coherence, others emphasized the need for developing countries to prioritize the use of scarce resources in a manner that would result in improved delivery of programmes.

31. The Special Unit was therefore encouraged to strengthen information-sharing for South-South cooperation among the relevant agencies in various developing countries. It should also enhance joint research among such agencies and countries, and assist the South in the exploration of new concepts and ways to overcome the deep-rooted problems that exist with regard to inequitable international trade, finance and technology transfer arrangements.

32. Numerous Member States emphasized the need to enhance the capacity of the Special Unit for South-South Cooperation, particularly its staffing and funding requirements, through concrete proposals. It was stated that greater resources and enhanced capacity would provide the Special Unit with more latitude for action. It was also suggested that the status of the Special Unit be elevated to that of a Bureau within UNDP.

33. Beyond the role of coordinating and facilitating meetings and seminars on South-South cooperation, it was recommended that the Special Unit extend its role in promoting innovative mechanisms for South-South cooperation, fostering business-to-business linkages and building public-private partnerships.

34. Some delegations emphasized the advocacy role of the Special Unit, publicizing and sharing knowledge among developing countries. This needs to be done in coordination with other mechanisms and entities, such as the Asia-Africa

Strategic Plan of Action and with the South Centre. Along those lines, Member States urged the Special Unit to intensify its resource mobilization efforts through new innovative mechanisms in order to help deepen the impact of South-South and triangular arrangements.

35. Delegates encouraged the Special Unit to help deepen South-South and triangular cooperation arrangements and in particular to conduct a detailed study on the volume of South-South and triangular cooperation, including an analytical view of its trends, successes and failures and recommendations on how best to achieve progress. The Special Unit was asked to report on concrete measures and achievements that it had supported in South-South and triangular cooperation.

36. There is an urgent need for more information, including a databank as well as benchmarks for evaluating success. The need for measuring the country-level impact of South-South cooperation was also expressed.

37. Among the various specific recommendations made to strengthen the work of the Special Unit was the updating and upgrading of the Web of Information Development network to rapidly make this tool operational; it was acknowledged that the network must do a better job in collecting information and making it available. A suggestion was made that Governments be enabled to monitor the use of this tool.

38. The Special Unit should increase its coordination with the World Bank Group and regional development banks in fostering South-South investment in the private sector and the promotion of the development of small and medium-sized enterprises. An independent evaluation of the work of the Special Unit is needed to identify areas for improvement, and a discussion of the evaluation should be on the agenda of the sixteenth session of the High-level Committee.

39. Finally, noting the upcoming thirtieth anniversary of the establishment of the Buenos Aires Plan of Action, delegations called for the convening of a United Nations conference on South-South cooperation to review progress in the implementation of the Plan of Action in 2008. Argentina generously offered to host the conference in Buenos Aires and that offer was supported by country delegations.